



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE MATERIEL COMMAND
WRIGHT-PATTERSON AIR FORCE BASE OHIO

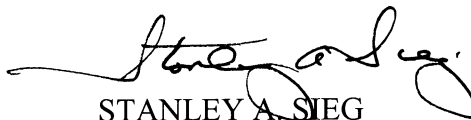
9 NOV 2000

MEMORANDUM FOR SEE DISTRIBUTION

FROM: HQ AFMC/PK
4375 Chidlaw Road, Room S208
Wright-Patterson AFB OH 45433-5006

SUBJECT: Technical Expert Status in Germany

1. Reference our 7 Jan 99 memorandum, "Changes to Tax Laws and Military Base Privileges for Contractor Employees in the Federal Republic of Germany" (Atch 1). We need to call your particular attention to the changes incorporated in the NATO Status of Forces Act (SOFA). Contractor employees cannot legally begin work in Germany unless German authorities have approved their status as technical experts.
2. There are specific criteria set forth in our earlier memorandum to qualify as technical experts. Individuals must have a "high degree of skill or knowledge for the accomplishment of tasks that are of a technical-military or technical-specific nature." The individual's skill and knowledge must have been acquired through higher education or a long period of specialized training and experience.
3. The HQ USAFE/LGC memorandum lists the contracts that German authorities have reviewed and determined which employees meet the requirement for technical expert status (Atch 2). You must ensure that prior to contract performance the German government approves technical expert contractor employees. Please contact Ms. Irene Morris, USAFE/LGC at DSN 480-5551, or irene.morris2@ramstein.af.mil for specific information and approval request procedures.
4. Please refer questions to Mr. Kenneth J. Farr, HQ AFMC/PKPA, DSN 986-0380.


STANLEY A. SIEG
Brigadier General, USAF
Director of Contracting

Attachments:

1. HQ AFMC/PK Memo, 7 Jan 99
2. HQ USAFE/LGC Memo, 18 Oct 00, w/Atch

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DET 8 AFRL/PK
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HQ AFMC/PKA/PKL/PKO/PKP/PKS/PKT/PKX



DEPARTMENT OF THE AIR FORCE
AIR FORCE MATERIEL COMMAND
WRIGHT-PATTERSON AIR FORCE BASE OHIO

7 Jan 1999

MEMORANDUM FOR SEE DISTRIBUTION

FROM: HQ AFMC/PKP
4375 Chidlaw Road, Suite 6
Wright-Patterson AFB OH 45433-5006

SUBJECT: Changes to Tax Laws and Military Base Privileges for Contractor
Employees in the Federal Republic of Germany

1. Recent changes to Article 73 of the NATO Status of Forces Agreement (SOFA) agreed to by the United States and the Federal Republic of Germany may significantly increase the costs associated with contracts performed by contractor employees working in Germany. The agreement, dated 27 March 1998, places new restrictions on who qualifies for "technical expert status" and moved the approval process from U.S. to German officials. As a result, many contractor employees will lose their tax exemption status and other privileges. In addition, the time to process applications for technical expert status has increased significantly and now takes approximately 18 weeks.
2. Qualifying for "technical expert status" is an important benefit because it exempts contractor employees from U.S. and German taxes, allows them to use the Base Exchange and Commissary, permits their dependants to attend U.S. schools, and provides for postal privileges. Prior to the 27 March 1998 agreement, U.S. officials unilaterally determined who qualified for technical expert status and reported them to the German government. Under the new agreement, German officials are now the approval authority for "technical expert status." Technical expert status is limited to individuals with a "high degree of skill or knowledge for the accomplishment of tasks that are of a technical-military or technical-scientific nature." To qualify as a technical expert, an individual's skill and knowledge must have been acquired through higher education or a long period of specialized training and experience.
3. U.S. Army Europe (USAREUR) is the single office for processing technical expert status accreditation (TESA) for DoD contractors. Questions on the application process should be addressed to Mr. William Bryant, DOCPER, DSN: 314-375-8505, Commercial 011-49-621-478-8505, or E-mail: william.bryant@cpocean.army.mil. Details on application procedures for TESA and additional information on Article 73 can also be accessed at their web site: www.chrma.hqusareur.army.mil/docper.

4. USAFE points of contact that can provide you with advise and assistance are Mr. Larry Edwards, DSN 314-480-5910 or E-mail: larry.edwards@ramstein.af.mil; or Ms. Ruth Renegar, DSN 314-480-5910 or E-mail: ruth.renegar@ramstein.af.mil. Our point of contact is Captain Doug Wells, HQ AFMC/PKPA, DSN 787-0181 or E-mail: wellsdh@wpgate1.wpafb.af.mil.

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AVERY P. SLEDGE, JR., Col, USAF
Chief, Contracting Policy Division
Directorate of Contracting

cc: HQ AFMC/PKO/PKL



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCES IN EUROPE
RAMSTEIN AIR BASE, GERMANY

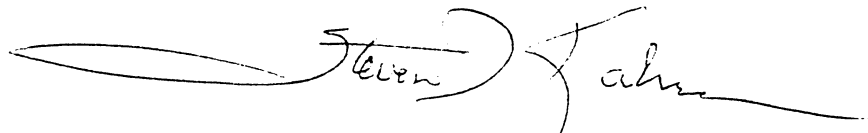
18 OCT 2000

MEMORANDUM FOR SAF/AQC
ALL MAJCOM/LGCs
AFMC/PK

FROM: HQ USAFE/LGC
Unit 3050 Box 110
APO AE 09094-0110

SUBJECT: Technical Expert Status in Germany

1. Attached is a list of contracts sorted by MAJCOM—all which have technical expert requirements. The German authorities have already reviewed the contractor employees under these contracts to determine their status under the technical expert status rules.
2. For future contracts, please let this serve as a reminder to your PCOs of the requirements for technical expert status review if the contract in whole or part will be performed in Germany. Legally, the contractor employees cannot begin work in Germany with logistic support (on a PCS or TDY basis) until the German authorities have determined their technical expert status. If they do begin work prior to that determination, the contractor employee, the contractor, and the US Government could be liable for German taxes.
3. I recommend your PCOs review the attached list to ensure it contains all of the active contracts where contractor employees are performing in Germany. If there are some missing, there is a good chance that the employees are working in Germany illegally. For this they could be subject to German taxes or criminal prosecution. If an incumbent contractor receives award for follow-on contract, all employees must be reviewed and approved for TE status under new contract regardless of their TE status under previous contract.
4. If you or your PCOs have any questions on technical expert status in Germany, please do not hesitate to contact my POC, Mrs. Irene Morris, DSN 480-5551, irene.morris2@ramstein.af.mil.


STEVEN D. KAHNE, Colonel, USAF
Chief, Contracting Division
Directorate of Logistics

Enclosure:
Contract Listing

MAJCOM	CONTRACTOR	CONTRACT NUMBER	CUSTOMER (GSA)
AMC-SCOTT AMC-SCOTT	ACS GOV SOLUTIONS SAIC	GS-35F-4415G FA4452-00-F-0060	
AFMC-HANSCOM AFMC-KELLY AFMC-HANSCOM AFMC-BROOKS AFMC-HANSCOM AFMC-ROME LAB AFMC-W.P. AFMC-W.P. AFMC-MCCLELLAN AFMC-ROBINS AFMC-ROBINS AFMC-HANSCOM AFMC-TINKER AFMC-W.P. AFMC-LOS ANGELES AFMC-W.P. AFMC-W.P. AFMC-TINKER AFMC-EGLIN AFMC-HANSCOM AFMC-W.P. AFMC-MCCLELLAN AFMC-HANSOM AFMC-W.P. AFMC-TINKER AFMC-W.P. AFMC-ROBINS AFMC-HANSCOM	ANALYTICAL SYS ENGINEER CACI, INC. COMPUTER SCIENCES CORP. CHOCTAW CORDANT GTE GENERAL ELECTRIC GENERAL ELECTRIC GTE GTE GTE JAYCO LEAR SIEGLER LITTON SYSTEMS INTL LOCKHEED MARTIN LOCKHEED MARTIN LOCKHEED MARTIN LOCKHEED MARTIN METRIC SYSTEMS THE MITRE CORP PRATT & WHITNEY RAYTHEON RAYTHEON SYSTEMS CO. RAYTHEON SYSTEMS RAYTHEON AEROSPACE CO. RAYTHEON AEROSPACE CO SMITH INDUSTRIES WANG	F19628-99-A-0003 F41621-96-D-5002 F19628-98-F-0047 F41622-98-D-0004 F19628-96-D-0003 F30602-96-C-0195 F33657-98-D-0019 F33600-00-C-0027 F04606-91-D-0264 F09603-97-D-0008 F09603-91-D-0999 F19630-93-D-0001 F34601-95-C-0538 F33600-00-C-0017 F04701-95-C-0017 F33600-99-D-0018 F33657-96-C-0034 F34601-97-D-0424 F08626-98-C-0029 F19628-99-C-0001 F33657-98-D-0018 F04606-96-D-0060 F19628-97-D-0011 F33657-98-C-3000 F34601-94-C-0950 F34601-97-D-0425 F09603-99-C-0144 F19628-93-D-0019	
AFSPC-GSA DENVER AFSPC-SCHRIEVER	LOCKHEED MARTIN TRW, INC.	GS-00T99ALD0205 F05604-95-D-9001	3 SCS
AETC-GUNTER	UNISYS	F01620-98-D-0001	
GSA-K.C. GSA-K.C. GSA-K.C. GSA-K.C. GSA-BOSTON GSA-K.C. GSA-K.C. GSA-ARLINGTON GSA-ARLINGTON	DIGITAL EQUIPMENT CORP. DYNACORP ENGINEERING SYS SOLUTION LITTON PRC LOCKHEED MARTIN LOGICON, INC. NCI, INC. PLANNING TECHNOLOGIES WANG	GS-35F-4663G GS-35F-4639H GS06K97BND0536 GS-35F-4340D GS-35F-4863G GS-35F-4506G GS-35F-4014G GS-35F-0591J GS-35F-0045K	USAFE WPC 86 CPTS HQ AFOSI/5 FIR USAFE CSS 52 OSS HQ USAFE DO USAFE CSS USAFE XP USAFE CSS
USAFE USAFE USAFE USAFE USAFE USAFE	AB TECHNOLOGIES BOEING ITT LITTON (SUBCONTRACTOR) LOCKHEED MARTIN LOCKHEED MARTIN LOCKHEED MARTIN	F61521-99-F-3701 F61521-99-C-5001 F61521-98-C-5002 F61521-99-D-5000 F61521-95-C-5002 F61521-96-C-5006 F61521-99-C-5005	

USAFE USAFE USAFE USAFE	MEI TECH CORP SAIC SAIC SYSTEMS ENGINEERING	F61521-97-C-5001 F61521-99-F-0036 F61521-99-D-5000 F61521-98-R-5005	(TC)
PENTAGON	ANSER	GS-35F-4593G	
NASA	JPL	NAS7-1407	
ARMY-FTHUACHUCA ARMY-ROUNDBUSCH VA ARMY-PENTAGON DSS ARMY-FTHAMMOUTH	COMPUTER SCIENCES CORP COMMUNICATIONS PRODUCT ELECTRONIC DATA SYSTEMS THE MITRE CORP	GS-35F-4381G V583P-3087 DASW01-98-D-0029 DAAB07-99-C-201	
NAVY-MARYLAND NAVY-MARYLAND NAVY-PENNSYLVANIA NAVY-CALIFORNIA NAVY-CALIFORNIA	LOCKHEED MARTIN RAYTHEON SAIC VECTOR DATA SYSTEMS VISICOM	N00019-00-D-0279 N0019-97-D-2003 GS-35F-4461G N00244-99-D-0136 N66001-98-D-5010	